



Transportation and Warehousing in Illinois

or Why is There So Much Traffic Congestion?

by Dennis Hoffman

Every time my family takes a drive out of our hometown of Mt. Vernon I always hear, “There are so many trucks on the road” and “Where are all these people going?” Co-workers traveling from 30 to 60 miles away also often remark on the constant traffic they encounter. These comments and trends have been going on for years and yet, with all the road improvements and upgrades, traffic congestion continues to be a challenge. However, there is a silver lining to the continued traffic

woes throughout Illinois – the Illinois Transportation and Warehousing Industry has experienced significant growth in the last decade, producing more jobs and revenue for the region.

The Illinois Transportation and Warehousing Industry, excluding Air Transportation, has experienced an 8.8 percent employment growth during the past ten years (2003 to 2013). Nearly 17,000 additional jobs have been developed during the past decade

Table 1. Job Creation in the Transportation and Warehousing Industry

Industry Group	Employment Change 2003-2013	Percent Change
Total Transportation & Warehousing (Ex. Air Transp.)	+16,860	+ 8.8%
General and Freight Truck Transportation	+ 1, 130	+ 1.7%
Transit & Ground Passenger Transportation	+ 1,900	+ 7.5%
Support Activities for Transportation	+ 6,150	+16.6%
Couriers & Messengers	- 1,300	- 7.0%
Warehousing & Storage	+ 7,580	+20.8%

Source: Illinois Department of Employment Security, Economic Information and Analysis Division, Current Employment Survey

statewide. Near the geographical and population center of the United States, Illinois offers easy access to many metropolitan areas and towns throughout the country. Plus, the excellent interstate roadways crossing Illinois has been a major impetus to growth. Trucking and warehousing facilities have located throughout Illinois in both large and small communities.

From the Illinois Department of Employment Security’s Current Employment Survey report, produced by the Economic Information & Analysis Division, approximately 17,000 jobs have been created in the Transportation and Warehousing Industry occupations (*See Table 1.*) General and Freight Trucking employment increased by over 1,100 or 1.7 percent. Employment climbed by nearly 2,000 (7.5 percent) in Transit and Ground Passenger Transportation. Support Activities for Transportation payrolls increased by over 6,000 or 16.6 percent. Warehousing and Storage payrolls sky-rocked by

gaining approximately 7, 600 jobs – increasing over 20 percent. Conversely, employment in the Couriers and Messengers sector reported a decline of 1,300 or 7.0 percent. In addition to the employment numbers, the Quarterly Employment and Wage Report showed an 8.0 percent increase (+206 firms) in the number of Transportation and Warehousing establishments in Illinois over the ten year period.

Economic Development Regions

Illinois has ten Economic Development Regions throughout the state. Six of the Economic Development Regions shared the significant employment growth in Transportation and Warehousing. Payrolls in two Economic Development Regions declined slightly and two

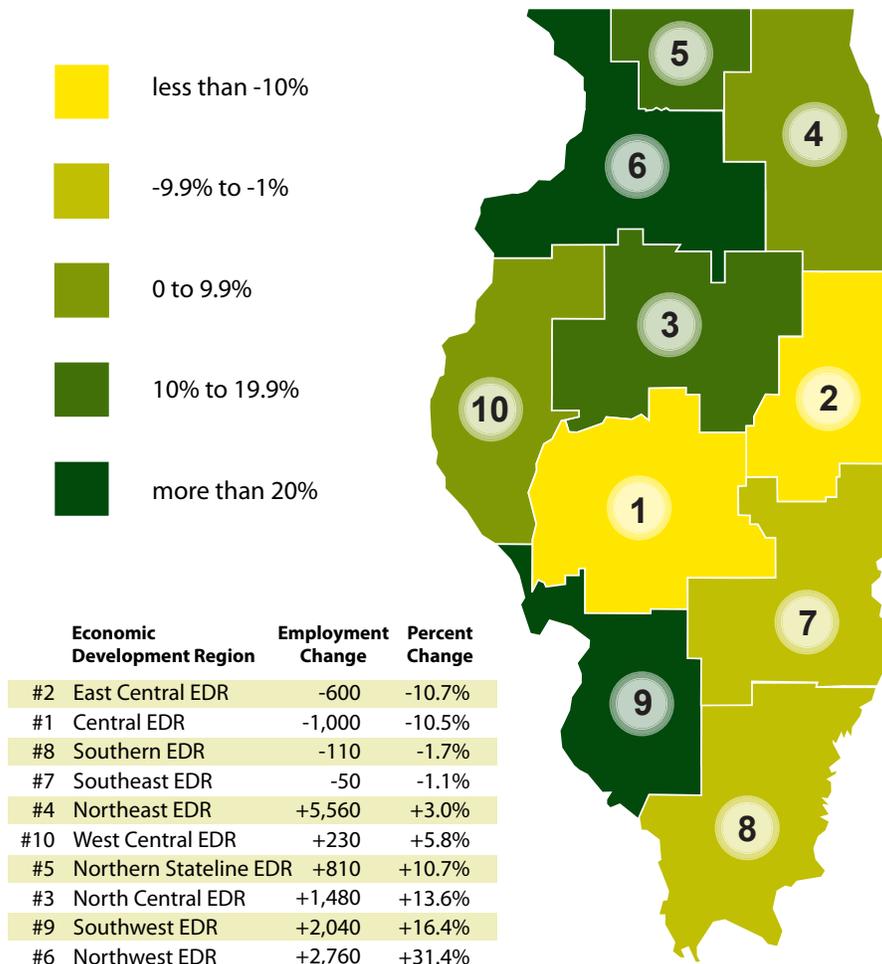
other regions suffered from a modest drop in employment (*See Map of Illinois, on the following page.*)

The Northeast EDR (Chicago and suburbs) led the state with over 5,500 (+ 3.0 percent) additional jobs. Other economic development regions with sizable payroll increases were the Northwest EDR (Rock Island-Moline Area) with over 2,700 new jobs (+31.4 per cent), the Southwest EDR (Illinois Section of St. Louis) where employment increased by over 2,000 (+16.4 percent), and the North Central EDR (Peoria-Bloomington areas) where payrolls advanced by nearly 1,500 jobs (13.6 percent). The North Stateline EDR (Rockford area) also experienced steady growth with employment totals increasing by 800 or 10.7 percent.

The Central EDR (Springfield-Decatur) and the East Central EDR (Champaign-Danville) were the areas in which



Percent change in the Transportation and Warehousing Industry from 2003-2013



employment declined moderately over the decade. The decrease in employment for these two regions were -1,000 (-10.5 percent) and -600 (-10.7 percent) respectively.

The Transportation and Warehousing Industrial Sector is closely tied to the Manufacturing Sector in many areas of Illinois. Changes in the fortunes and/or misfortunes at major manufacturing plants often cause favorable or declining conditions and activity at local transportation firms. This cause and effect dynamic can be especially evident in some of the downstate regions with large manufacturing plants. However, most economic

development regions in Illinois experienced sizable employment growth in the Transportation and Warehousing Industry.

Wages

According to the 2013 Illinois Department of Employment Security Statewide Wage Data report, jobs in the Transportation Industry generally begin slightly above minimum wage and often advance to solid mid-level pay ranges or greater in only a few years. Some of the entry level occupations in which pay scales advance to average or above annual wages include Light or Delivery Truck Drivers, Transit and

Intercity Bus Drivers, Ambulance Drivers and Attendants, All Other Motor Vehicle Operators, and Traffic Technicians. Occupations in which starting wages are significantly above the minimum wage and experienced wages are substantial include First-Line Supervisors of Transportation, Heavy and Tractor-Trailer Truck Drivers, Transportation Inspectors, and Railroad Engineers, Conductors, and Yardmasters. Thus, the Transportation Industry offers a variety of stable, good-paying jobs for interested wage earners with the correct skills and training.

Summary

The Transportation and Warehousing Industrial Sector in Illinois has experienced steady employment growth during the past decade. New businesses with additional job opportunities statewide have promoted economic progress. Clearly, Illinois' unique location and excellent highway system have contributed to this growth. Because wages for most occupations in Transportation and Warehousing start above minimum wage and increase to average or above average pay ranges in Illinois, these jobs are providing an economic boost to the workers, their families, and local economies. With the favorable employment outlook for the Illinois Transportation and Warehousing Industry, comments about congestion and heavy traffic will continue to be a part of every day conversations. But the next time my family and coworkers comment about traffic, I will state that businesses are hiring and more people are working.

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